

1                   **REMARKS**

2                   Applicant respectfully requests reconsideration and allowance of the subject  
3 application. Claims 1, 2, 11, 17-21, 25, 26, 31, 35, 43 and 44 are amended. No  
4 claims are added or canceled. Claims 1-47 are pending in this application.

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6                   **35 U.S.C. § 102**

7                   Claims 1, 2, 4-11, 13-28, 30, 31, 33-35 and 37-42

8                   Claims 1, 2, 4-11, 13-28, 30, 31, 33-35 and 37-42 stand rejected under 35  
9 U.S.C. §102(e) as being anticipated by U.S. Patent Number 6,574,609 to Downs,  
10 et al. (hereinafter "Downs"). Applicant respectfully traverses the rejection.

11                  Anticipation is a legal term of art. Applicant notes that in order to provide a  
12 valid finding of anticipation, several conditions must be met: (i) the reference must  
13 include *every element of the claim* within the four corners of the reference (see  
14 MPEP §2121); (ii) the elements *must be set forth as they are recited* in the claim  
15 (see MPEP §2131); (iii) the teachings of the reference *cannot be modified* (see  
16 MPEP §706.02, stating that "No question of obviousness is present" in conjunction  
17 with anticipation); and (iv) the reference *must enable* the invention as recited in the  
18 claim (see MPEP §2121.01). Additionally, (v) these conditions must be  
19 simultaneously satisfied.

20                  The §102 rejection of claims 1, 2, 4-11, 13-28, 30, 31, 33-35 and 37-42 is  
21 believed to be in error. Specifically, the PTO and Federal Circuit provide that  
22 §102 anticipation requires that *each and every element* of the claimed  
23 invention be disclosed in a single prior art reference. In re Spada,  
24 911 F.2d 705, 15 USPQ2d 1655 (Fed. Cir. 1990). The corollary of this rule is  
25 that the absence from a cited §102 reference of *any* claimed element negates

1 the anticipation. Kloster Speedsteel AB, et al. v. Crucible, Inc., et al.,  
2 793 F.2d 1565, 230 USPQ 81 (Fed. Cir. 1986).

3 No §103 rejection has been lodged regarding claims 1, 2, 4-11, 13-28,  
4 30, 31, 33-35 and 37-42. Accordingly, if Applicant can demonstrate that  
5 Downs does not disclose any one claimed element with respect to claims 1, 2,  
6 4-11, 13-28, 30, 31, 33-35 and 37-42, the §102 rejections must be withdrawn,  
7 and a subsequent non-final action made with a different rejection in the event  
8 that the Examiner still finds any of such claims to be not allowable.

9 Applicant notes the requirements of MPEP §2131, which states that  
10 "TO ANTICIPATE A CLAIM, THE REFERENCE MUST TEACH EVERY  
11 ELEMENT OF THE CLAIM." This MPEP section further states that "A  
12 claim is anticipated *only if each and every element as set forth in the claim is*  
13 *found*, either expressly or inherently described, in a single prior art reference.'  
14 Verdegaal Bros. v. Union Oil Co. of California, 814 F.2d 628, 631, 2  
15 USPQ2d 1051, 1053 (Fed. Cir. 1987). 'The identical invention must be  
16 shown in as complete detail as is contained in the ... claim.' Richardson v.  
17 Suzuki Motor Co., 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920 (Fed. Cir.  
18 1989). *The elements must be arranged as required by the claim*, but this is  
19 not an *ipsissimis verbis* test, i.e., identity of terminology is not required. *In re*  
20 *Bond*, 910 F.2d 831, 15 USPQ2d 1566 (Fed. Cir. 1990)."

21 Downs discloses systems and methods for managing content data and  
22 metadata/usage condition data that is associated with the content data. Content  
23 data is stored on a content host while metadata and usage condition data are stored  
24 at an electronic store. The metadata/usage condition data can be altered to create  
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1 promotional content for corresponding content data. The promotional content is  
2 then transmitted to a customer system.

3 Usage of the content is controlled by inserting a digital watermark into the  
4 content. The watermark defines an allowable number of secondary copies and  
5 playbacks. When the content is played by the customer system, an end-user player  
6 application reads the watermark to check the usage restrictions and updates the  
7 watermark as required. If the requested use of the content does not comply with  
8 the usage conditions, the content is not played.

9 Applicant notes that the watermark that is embedded in the content includes  
10 usage information. The claims in the present application generally describe  
11 systems and methods that do not require a watermark that is large enough to  
12 contain such information. Usage and authentication information is stored separate  
13 from the content and is accessed when a particular watermark is detected. This  
14 concept is not disclosed or anticipated by the cited reference.

15 **Claim 1** has been amended and now recites an electronic device for playing  
16 a digital content file. In addition to a content processor and memory, the electronic  
17 device comprises “*a watermark detector configured to detect the presence of a*  
18 *watermark signal in the digital content file*” and “an authentication module  
19 configured to access a certificate associated with *and separate from* the digital  
20 content file and determine *from the certificate* if the processor is authorized to  
21 process the digital content file *in the event that the watermark detector detects the*  
22 *watermark signal.*” (Amendments italicized).

23 The amendments make it clear that the certificate is not included in the  
24 digital content file, but it is the certificate that indicates permissible use of the  
25

1 digital content file. This means that a watermark signal in the digital content file  
2 does not identify permissible use of the digital content file.

3 In an excerpt cited in the Office Action, Downs provides that:

4 An initial watermark in the Content is embedded by the  
5 content proprietor to identify the content proprietor, specify  
6 copyright information, define geographic distribution areas,  
7 and add other pertinent information. A second watermark is  
8 embedded in the Content at the End-User Device(s) to  
9 identify the content purchaser (or licensee) and End-User  
10 Device(s), specify the purchase or license conditions and  
11 date, and add any other pertinent information.

12 Column 8, lines 15-22.

13 The application (page 3, paragraph 2) points out that one advantage realized  
14 by the claimed invention is that current SDMI (Secure Digital Music Initiative)  
15 standards specify that watermark signals should have no more than seventy-two  
16 (72) bits. This limited size does not allow a significant amount of information to  
17 be identified by a watermark signal. Use of the presently claimed systems and  
18 methods allow a watermark signal of less than seventy-two (72) bits to identify a  
19 significantly large amount of data.

20 To overcome this limitation, the certificate is used to store virtually any  
21 amount of information regarding the digital content. Only a very small watermark  
22 causes the system to access the information contained in the certificate. Not only  
23 does this address the concern regarding the 72-bit standard, it addresses a problem  
24 encountered when one wants to embed a relatively large amount of information in  
25 a watermark in digital content. A system implemented according to claim 1 does  
not require effort to embed a significant amount of extraneous data or to make  
such a sizeable watermark imperceptible when the content is played.

1 Downs does not disclose or anticipate accessing a certificate to determine  
2 digital content usage rights upon the detection of a watermark in the digital  
3 content. Therefore, under a §102 analysis, Downs does not anticipate each and  
4 every element recited in claim 1 and, therefore, a rejection on this basis cannot  
5 stand.

6 Accordingly, claim 1 is allowable over the cited reference and the rejection  
7 thereof should be withdrawn.

8 **Claims 2 and 4-10** depend from claim 1 and are allowable at least by virtue  
9 of that dependency. Therefore, the rejection of these claims should be withdrawn.

10 **Claim 11**, which has been amended, recites a method for watermarking a  
11 digital content file. The method comprises the steps of “embedding a watermark  
12 into the digital content file” and “associating the digital content file with a  
13 certificate that contains copyright information about the digital content file *and is*  
14 *not a part of the digital content file.*” Additionally, when the watermark in the  
15 digital content file is detected, “the associated certificate is accessed and the digital  
16 content file is processed according to the copyright information.

17 Downs does not disclose or anticipate using a watermark to trigger an  
18 operation to access a certificate associated with content in which the watermark is  
19 embedded to ascertain copyright or other information. The excerpt from Downs  
20 cited above shows that a watermark such as disclosed in Downs includes, *inter*  
21 *alia*, copyright information. Downs does not anticipate accessing a separate file  
22 from the digital content file to determine copyright information, usage rights,  
23 ownership, and the like.

24 Accordingly, claim 11 is allowable over the cited reference and the  
25 rejection thereof should be withdrawn.

1       **Claims 12 and 14-16** depend from claim 11 and are allowable at least by  
2 virtue of that dependency. The rejection of these claims, therefore, should be  
3 withdrawn.

4       **Claim 17**, currently amended, recites a method comprising the steps of  
5 “associating a certificate file with a digital content file” and “configuring the  
6 certificate file with information about the digital content file so that when the  
7 digital content file is processed, the digital content file is processed in accordance  
8 with the information contained in the certificate file.”

9       The construction of claim 17 makes it evident that the certificate is stored  
10 apart from the digital content. Downs makes it clear that information that would  
11 be stored in the certificate recited in claim 17 (as outlined in the specification) is  
12 stored in the content itself, as a watermark signal. Furthermore, Downs does not  
13 disclose or anticipate processing content according to information contained in a  
14 separate file. For a §102 reference to stand against claim 17, Downs would have  
15 to recite such a process.

16       Accordingly, claim 17 is allowable over the cited reference and the  
17 rejection of claim 17 should be withdrawn.

18       **Claims 18-24** depend from claim 17 and are allowable at least by virtue of  
19 that dependency. The rejection of these claims, therefore, should be withdrawn.

20       **Claim 25** has been amended and now recites a method that comprises the  
21 steps of “attempting to detect a watermark signal in a digital content file” and “if  
22 the watermark signal is detected, attempting to locate a certificate associated with  
23 the digital content file, the certificate including copyright information about the  
24 digital content file.” The method further comprises the step of “processing the  
25 digital content file according to the copyright information included in the

1 certificate” in the event that the watermark signal is detected and the associated  
2 certificate is located.

3 As previously discussed, Downs does not disclose or anticipate using a  
4 watermark embedded in digital content as a trigger to locate a certificate that is  
5 associated with the digital content. Indeed, there is no need for systems or  
6 methods in accordance with those disclosed in Downs to perform such an  
7 operation, since the information that would be obtained in the certificate is  
8 included in the watermark described in Downs.

9 Downs does not disclose or anticipate each element recited in claim 25 and,  
10 therefore, claim 25 is allowable over Downs and the rejection of claim 25 should  
11 be withdrawn.

12 **Claims 26-29** depend from claim 25 and are allowable at least by virtue of  
13 that dependency. The rejection of these claims, therefore, should be withdrawn.

14 **Claim 30** recites a digital content file stored on one or more computer-  
15 readable media that includes “a watermark that indicates the existence of a  
16 certificate associated with the digital content file, the certificate containing  
17 copyright information about the digital content file.”

18 Downs does not disclose or anticipate such a watermark. The watermarks  
19 in Downs are used: (1) to identify a content proprietor, specify copyright  
20 information, define geographic distribution areas, and add other pertinent  
21 information; and (2) to identify the content purchaser (or licensee) and End-User  
22 Device(s), specify the purchase or license conditions and date, and add any other  
23 pertinent information. The watermark recited in claim 30 is not required to  
24 identify any particular information; its presence alone indicates the existence of an  
25 associated certificate.

1 Accordingly, claim 30 is allowable over Downs and the rejection thereof  
2 should be withdrawn.

3 **Claims 31, 33 and 34** depend from claims 30 and are allowable at least by  
4 virtue of that dependency. Accordingly, the rejection of these claims should be  
5 withdrawn.

6 **Claim 35** recites one or more computer-readable media containing  
7 instructions for “attempting to detect a watermark in a digital content file” and “if  
8 the certificate is located, processing the digital content file according to the  
9 copyright instructions.” If the watermark is detected, instructions are included for  
10 “attempting to locate a certificate that is associated with the digital content file,”  
11 the certificate including instructions regarding digital content file. If the certificate  
12 is located, the digital content file is processed according to the instructions in the  
13 certificate.

14 Claim 35 specifically recites that “the watermark only indicates the  
15 existence of the certificate.

16 It has been shown above that Downs describes watermarks that contain a  
17 wide variety of information regarding the digital content. Downs does not disclose  
18 or anticipate a watermark that only indicates the existence of a certificate that is  
19 associated with the content in which the watermark is embedded.

20 Since Downs fails to recite at least this element of claim 35, claim 35 is  
21 allowable over Downs and the rejection thereof should be withdrawn.

22 **Claims 37-42** depend from claims 35 and are allowable at least by virtue of  
23 that dependency. Accordingly, the rejection of these claims should be withdrawn.  
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1        **35 U.S.C. § 103**

2        **Claims 3, 12, 29, 32, 36 and 43-47**

3        Claims 3, 12, 29, 32, 36 and 43-47 stand rejected under 35 U.S.C. §103(a)  
4 as being unpatentable over Downs and in view of U.S. Patent Number 6,674,874  
5 to Yoshida, et al. (hereinafter "Yoshida"). Applicant respectfully traverses the  
6 rejection.

7        Yoshida is cited for the proposition of using a 1-bit watermark. Downs has  
8 been summarized previously.

9        **Claims 3, 12, 29, 32, and 36** depend from independent claims shown above  
10 to be distinguishable over Downs. For at least this reason, these claims are  
11 allowable over the combination of Downs and Yoshida. Additionally, the 1-bit  
12 watermarks described in Yoshida are not utilized to perform the functions  
13 attributed to the 1-bit watermark claimed in the present application.

14        Accordingly, claims 3, 12, 29, 32, and 36 are allowable over the cited  
15 references and the rejection should be withdrawn.

16        **Claim 43** has been amended to recite, in part, "the certificate containing  
17 copyright information about the digital content *and being stored apart from the*  
18 *digital content*". The arguments presented above on behalf of claim 11 with regard  
19 to Downs also support the allowability of claim 43. Hence, claim 43 is allowable  
20 at least for the reasons given above with respect to claim 11.

21        **Claims 44-47** depend from claim 43 which has been shown to be allowable  
22 over Downs, above. Claims 44-47 are allowable at least by virtue of that  
23 dependency and the rejection thereof should be withdrawn.

24        In addition, the reference to Downs cited in support of the rejection of these  
25 claims merely discusses how information related to content is transmitted

1 separately from the content itself and in a secure manner. Storage of this  
2 information for access by a system that detects a watermark in content associated  
3 with the information is not taught or suggested by either of the cited references.

4 For this additional reason, claims 44-47 are allowable over the cited  
5 references. Therefore, the rejection of these claims should be withdrawn.

6  
7 **Conclusion**

8 All pending claims 1-47 are in condition for allowance. Applicant  
9 respectfully requests reconsideration and prompt issuance of the subject  
10 application. If any issues remain that prevent issuance of this application, the  
11 Examiner is urged to contact the undersigned attorney before issuing a subsequent  
12 Action.

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15 Date: 5/11/2004

Respectfully Submitted,

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